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THE

Livestock and Wool SITUATION

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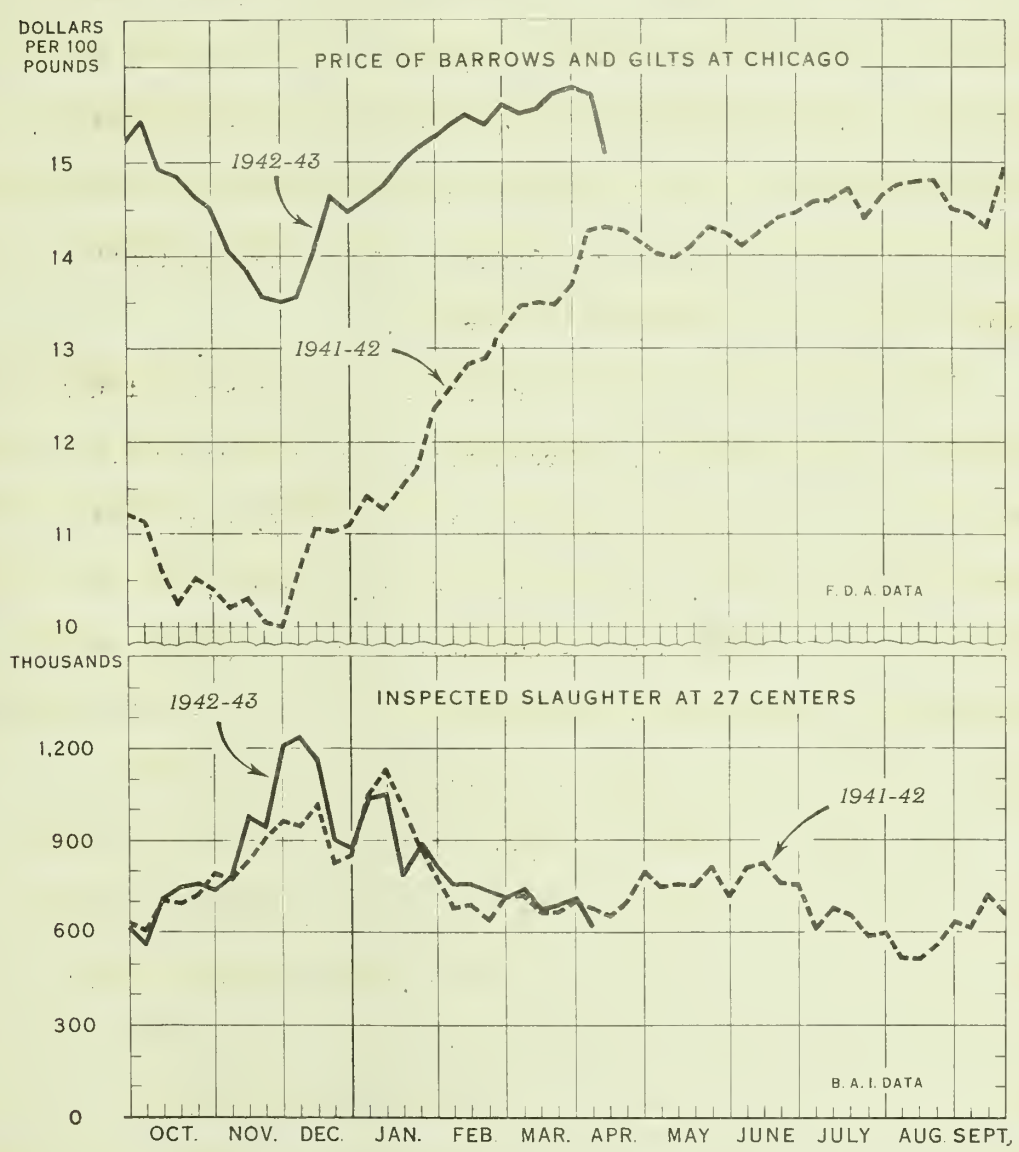
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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APRIL 1943

HOGS: PRICE AT CHICAGO, AND INSPECTED SLAUGHTER AT 27 CENTERS, 1941-42



U S DEPARTMENT OF AGRICULTURE

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The upward trend in hog prices since last December was halted in mid-April by the announcement that ceiling prices on live hogs would be established unless prices were adjusted downward. For some time prices for live hogs have been unusually high in relation to pork and lard prices, which are under ceilings.

THE LIVESTOCK AND WOOL SITUATION

Summary

Recognizing that prices for livestock recently have been unduly high in relation to wholesale prices and price ceilings for meat and lard, the War Food Administration announced in early April that if the rationing program and other meat control measures do not result in a downward adjustment in hog prices in a reasonable time, price ceilings would be imposed on the live animals. Hog prices declined around 75 cents following this announcement. A meeting of representatives of the livestock and meat industry has been called by the War Food Administration and the Office of Price Administration to help complete plans for controlling hog prices.

To assure farmers that this action is in no way intended to discourage a continued high level of hog production, the support price for hogs has been raised from the previously announced level of \$13.25 to \$13.75 (Chicago) through September 1944. It was pointed out, however, that feed supplies in 1943-44 are not likely to be so abundant as in the current season. Hence, hog producers are advised not to increase breeding for the 1943 fall pig crop more than 15 percent over the number of fall pigs raised in 1942.

The number of cattle on feed for market April 1 was 1 percent larger than a year earlier, compared with an 8 percent increase on January 1 over the same date last year. Marketing figures for January-March show cattle slaughter at inspected plants was 6 percent smaller than a year earlier, while the movement of feeder cattle to country points was somewhat larger than in the same period last year. This information, plus reports from cattle feeders that fewer cattle were put on feed during January-March than a year earlier lends support to other indications that a considerable number of cattle has been diverted to black market slaughterers in recent months.

Except in California, weather and feed conditions this spring have been unfavorable for a good development of the early lamb crop. Conditions have been particularly unfavorable in the far Northwest. The movement of early lambs to Midwestern and Eastern markets probably will be quite limited this year, owing to action taken recently to allow West Coast packers to increase their civilian deliveries of lamb and mutton.

Plans have been completed for the Government take-over of the 1943 domestic wool clip. Considerable wool already has been sold by producers, and the program will apply only to the portion of the clip unsold after April 25. Wool will be handled through the regular trade channels, but dealers and cooperatives will buy, handle, and sell the wool for the account of the Commodity Credit Corporation, which will be in charge of the program and will be the sole purchaser of the wool. Prices to growers will be the current ceiling prices less freight charges and an allowance to cover marketing costs. Demand for domestic and foreign wools has been strong in recent weeks in anticipation of Army orders. Prices have advanced moderately. The Quartermasters Corps has requested bids on fabrics which will require about 250 million pounds of wool (greasy shorn basis) and which must contain at least 65 percent domestic wool.

-- April 19, 1943

Meat Animals -- Farm Production and Income
1941-42

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REVIEW OF RECENT DEVELOPMENTS

Hog Prices Off Sharply in Mid-April

After advancing to a new 22-year peak in early April, hog prices declined sharply later in the month, following the announcement that prices would have to be lowered to bring live values into a more normal relationship with ceiling prices on pork and lard. The Chicago top price for hogs on April 15 was \$15.15 compared with the near \$16.00 level of the preceding several weeks and \$14.65 on the corresponding date a year earlier. Hog prices have followed a steady upward trend since last December, and in recent weeks prices at Chicago have averaged between \$15.50 and \$15.75 per 100 pounds.

Corn prices have advanced about as much as hog prices since last December, and the hog-corn price ratio has remained at the favorable level of 15 to 16, Chicago basis. This is a little lower than the very favorable ratio that prevailed last spring.

Inspected Hog Slaughter Up in March

The number of hogs slaughtered under Federal inspection during March totaled 4,661,000 head, 8 percent more than in February 1943 and 13 percent more than in March last year. It was the second largest slaughter for the month on record. In the first 6 months of the current marketing year (October-March) inspected slaughter totaled a little over 30 million head, up 7-1/2 percent over a year earlier. Live weights of hogs slaughtered so far this season have averaged roughly 10 pounds heavier than a year earlier and 20 pounds heavier than the average for other recent years. The increase in the output of hog products in this period over a year earlier, because of the heavier weights, amounted to roughly 375 million pounds. This is equivalent to about one-half of an average month's production of pork and lard.

Government Purchases of Pork and Lard
Increased Moderately in March

Purchases of pork and lard by the Department of Agriculture during March totaled approximately 179 million pounds, about 13 million pounds more than in February and 54 million pounds more than in March last year. On a dressed weight basis the 6 months' (October-March) total purchases of pork have been equivalent to about 25 percent of the federally inspected production, compared with 14 percent in the corresponding period a year earlier. Lard purchases in the two periods have been about the same, 250 million pounds, and have amounted to a little over one-fourth of the inspected output in each year. The purchase figures are not strictly comparable with those on production, however, because of the time lag in processing and delivery.

Storage Stocks of Pork Reduced, Lard Increased

Cold-storage holdings of pork were reduced by 36.5 million pounds during March. The size of stocks on April 1 -- 591 million pounds -- was little different from the size of stocks a year earlier and was slightly below the

1938-42 average for that date. Pork stocks ordinarily reach a peak for the year in March or April following the heavy winter run of hogs. Stocks then decrease seasonally during the period of reduced marketings until October or November.

Cold-storage holdings of lard and rendered pork fat on April 1 amounted to 128 million pounds, up 6 million pounds from a month earlier but 54 million pounds less than a year earlier. The April 1 lard stocks were only about 60 percent as large as the 1938-42 average for that date.

Cattle Prices Weaker in Mid-April

Cattle prices advanced a little further during March and early April. Chicago top price for Choice steers reached \$17.85, a new high since 1937, and the highest April price since 1919. Prices of the lower grades of slaughter cattle continue to show the most strength, with cow and bull prices at record levels. Prices weakened a little in mid-April, at the time of the break in hog prices. The average price of Good grade beef steers at Chicago for the week ended April 17 was \$16.00 per 100 pounds, still 30 cents higher than a month earlier and about \$2.30 higher than a year earlier.

Prices of veal calves declined sharply in early April following the establishment of specific wholesale coiling prices for veal, which apparently were somewhat lower than the packers' individual coilings in effect under previous regulations. The average price of Good and Choice grade veal calves at Chicago in mid-April was about \$14.70, compared with \$16.75 in late March and \$13.80 in mid-April last year.

Cattle and Calf Slaughter Increased in March

Marketings of cattle for slaughter increased seasonally in March. Inspected slaughter for the month totaled 923,000 head, 8 percent more than in February but slightly less than in March last year. Although inspected cattle slaughter in the first quarter of 1943 was 6 percent smaller than a year earlier, the 3 months' total was 12 percent greater than the average for the preceding 5 years.

Inspected calf slaughter increased sharply in March but continued substantially under a year earlier. The March figure of 410,000 head was 24 percent larger than in February but was 16 percent under March last year. It was the smallest March total since 1933. Inspected calf slaughter in the first quarter of the year was 18 percent smaller than in January-March last year. Because veal carcasses are light and can be handled easily, black market operations are believed to have been considerably more prevalent in the case of calves than for other livestock during this period.

Lamb Prices Lower; Slaughter Under Last Year

Prices of slaughter lambs declined moderately during March but continued near the high level that has prevailed since the first of the year. The average price of Good and Choice grade slaughter lambs at Chicago in mid-April was \$15.80, about 35 cents lower than a month earlier but \$3.35 higher

than a year earlier. Inspected sheep and lamb slaughter during March totaled close to 1.5 million head, about the same as in February but down 10 percent from a year earlier. The total January-March inspected slaughter was 1 percent greater than last year.

THE LIVESTOCK-FEED OUTLOOK FOR 1943-44

A reappraisal of the entire feed and livestock situation is now possible as a result of the report on prospective plantings for 1943, released March 19, and the survey of grain stocks on farms April 1, released April 9. This and other information indicate that, because of the sharp increases of the past 2 years and the increases now in prospect, livestock production promises to cut heavily into reserve feed supplies in 1943-44.

The number of livestock now on hand or in prospect is at a record high level. The number of milk cows and heifers on farms January 1, 1943 was 2 percent larger than a year earlier, and the total number of all cattle was up 4 percent. We now have the largest cattle population on record — a little over 78 million head. The number of sheep and lambs on farms at the beginning of 1943 was 3 percent smaller than on January 1, 1942, but the number of chickens was 14 percent larger. The 73.7 million head of hogs on farms January 1, 1943 was 22 percent greater than a year earlier and was much the largest number on record.

Assuming that farmers carry out their reported intentions for spring farrowings and meet the goals for farrowings in the fall of 1943, it is estimated that the total 1943 pig crop may be as large as 125 million head, compared with the 105 million head raised in 1942 and the 1931-40 average of 73 million. In addition to these increases in livestock numbers, average weights of hogs marketed are currently running about 10 percent above normal, while egg production per hen is up 12 percent and milk production per cow is about 8 percent greater than the 1932-41 average. Altogether it is estimated that the number of livestock being fed in the calendar year 1943 is about 11 percent larger than a year earlier and that the 1944 number will show a further increase of close to 10 percent.

All current indications point to a carry-over of corn and other feed grains from the 1942 crop into the new feeding year, starting this fall, about equal to the feed-grain carry-over in the fall of 1942. Disappearance of feed grains during the 6 months October-March was heavy — about 3-1/2 percent greater per unit of livestock production than the 1937-41 average. Despite the record large corn crop of 1942, total stocks of corn on April 1 were only about 50 million bushels larger than on that date a year ago. This means that practically all of the 3,175 million bushels of corn and the 1,890 million bushels of oats, barley, and grain sorghum harvested in 1942, as well as 275 to 300 million bushels of wheat, will be fed to livestock in the 1942-43 feeding year ending about October 1.

It is impossible to predict accurately at this time what the 1943 feed-grain harvest will be. However, if average yields are obtained on the indicated 5 percent larger acreage this year than last, the 1943 corn crop would total about 2,850 million bushels, 325 million bushels less than the 1942

crop. Production of oats, barley, and grain sorghum also may be somewhat smaller in 1943 than in 1942. On the other hand, increases in the number of livestock to be fed from the 1943 feed crop are already under way or in prospect. This situation is summarized in table 1, in which feed supplies and livestock numbers in prospect as of April 1 (converted to comparable unit bases) are compared with other recent years. This table indicates that unless crop yields should again be much above normal, feed supplies for livestock will be much less plentiful than they have been in the past 3 years. And in case of a below-average growing season this year, the feed situation in 1943-44 would become acute. On the other hand, exceptionally high crop yields, such as were obtained in 1942, would greatly ease the situation.

Unless feed-grain production in 1943 greatly exceeds current prospects, as a result of better than normal yields or larger acreages of corn, spring wheat, and possibly some other feed crops than indicated by March 1 intentions, it appears that farmers face a choice among the following alternatives, or some combination thereof, in meeting the livestock-feed situation in 1943-44: (1) Continue the present high rate of feeding, thereby reducing drastically reserve feed supplies by the summer or fall of 1944; (2) reduce the current rate of feeding, thereby cutting down on the per animal yields of pork, lard, eggs, milk, and beef; (3) reduce the number of livestock raised below the numbers now in prospect.

In addition, it is possible that the quantity of wheat and rye fed could be increased and that additional imports of feed grain could be obtained from surplus producing countries. Action already has been taken by the War Food Administration to supplement our feed supply by such imports.

Table 1.- Feed supply and grain-consuming animal units

Year	Supply of feed-grain units 1/ Million bushels	Grain-consuming animal units 2/ Millions	Feed grain supply per animal unit Bushels
1935-36 to 1939-40 average	3,410	136	25.0
1940-41	4,139	144	28.8
1941-42	4,349	155	28.1
1942-43 3/	5,046	172	29.3
1943-44 4/	4,641	188	24.7

1/ October 1 supply of corn, oats, barley, and grain sorghums and estimated amounts fed to livestock of rye and wheat converted to feed units on the basis of 1 bushel of corn equals 1.00. Figure for 1943-44 includes about the same amount of wheat and rye fed to livestock as in 1942-43.

2/ January 1 livestock numbers converted to animal units on the basis of relative feed requirements.

3/ Preliminary.

4/ Estimated. Feed supply based upon indicated acreage and average yields plus prospective carry-over.

OUTLOOK - HOGS

BACKGROUND.-- The 1942 pig crop totaled nearly 105 million head -- 24 percent more than the 1941 crop and much the largest crop on record. Inspected hog slaughter so far in the current marketing year (October-March) has totaled only 7-1/2 percent greater than a year earlier, however, because of the holding back of sows for further increased production, greater than usual death losses, and a probable increase in the number of hogs going to noninspected slaughter.

Support Price for Hogs Raised to \$13.75; but
Reduction from High March Prices Urged

Recognizing that prices for livestock recently have been unduly high in relation to existing ceilings on wholesale prices for meat and lard, the War Food Administration announced in early April that if the rationing program and other meat control measures now in effect do not result in a downward adjustment in hog prices in a reasonable time ceilings would be placed on prices of the live animals. A meeting of representatives of the livestock industry has been called by the War Food Administration and the Office of Price Administration to help complete plans for controlling hog prices.

To assure farmers that the possible ceiling action is not intended to discourage a continued high level of hog production, the support price for hogs of \$13.25 (Chicago) announced last January was raised to \$13.75 through September 1944. It was pointed out that, despite current large supplies of feed, reserve feed supplies probably will be reduced in 1943-44 if farmers carry out their plans to increase hog production and meet the goals for other livestock. Hence, hog producers have been advised not to increase breeding for their 1943 fall pig crop more than 15 percent over the 1942 level. This year's spring crop is indicated to be about 24 percent larger than that of last year, so that actually an increase of only 5 percent in the fall crop would be required to meet the 15 percent increase in hog production called for in the 1943 goals.

OUTLOOK - CATTLE

BACKGROUND.-- The cattle population of the United States has increased sharply since 1938. On January 1, 1943 the number of cattle and calves on farms and ranches totaled 78.2 million head, 13 million more than in 1938 and nearly 4 million more than the previous peak number reached at the beginning of 1934. Cattle prices advanced steadily during 1942 and 1943. Prices received by farmers for cattle this spring have been the highest on record.

April 1 Cattle on Feed 1 Percent
Larger Than a Year Earlier

The number of cattle on feed for market in the 11 Corn Belt States on April 1 was 1 percent larger than a year earlier. Except for Iowa and

Michigan, the number in States east of the Missouri River was a little smaller than a year earlier, but increases in the three States west of the river more than offset these decreases.

The 1 percent increase on April 1 compares with the estimated 3 percent increase over a year earlier on January 1 of this year. At the same time, marketing figures show the January-March slaughter of cattle at inspected plants to have been 6 percent smaller than a year earlier, and the movement of feeder cattle to country points to have been larger than a year earlier. As shown in the accompanying table, the number of cattle shipped to the seven Corn Belt States for which records are available (direct and from public stockyards) was 18 percent larger in January-March this year than last. Reports from feeders indicate, however, that fewer cattle were put on feed in this period this year than last. This information lends support to the reports of cattle being diverted to black market slaughterers.

Table 2.- Stocker and feeder cattle received in seven Corn Belt States, January-March, 1942 and 1943, and cattle on feed April 1 as a percentage of a year earlier

State	Stocker and feeder cattle received		Cattle on feed
	in seven Corn Belt States		April 1, 1943, as a
	January-March		percentage of a
	1942	1943	year earlier
	Number	Number	Percent
Ohio	8,796	13,634	96
Indiana	19,242	19,368	95
Michigan	4,399	7,860	112
Wisconsin	1,409	1,419	90
Minnesota	18,642	12,637	98
Iowa	124,705	144,045	100
Nebraska	57,655	79,258	105
Missouri	1/	1/	95
South Dakota ..	1/	1/	105
Kansas	1/	1/	116
Illinois	1/	1/	93
Total	234,858	278,271	101

1/ Not available.

Feeder Cattle Prices High

Feeder cattle prices have advanced on the average about \$2.50 per 100 pounds since last fall. For the past several weeks the average cost of feeder steers at Kansas City has been about \$14.50 per 100 pounds, compared with a level of around \$11.00 a year earlier. The upward trend in fat cattle prices since last fall has allowed cattle feeders relatively favorable margins on their 1942-43 feeding operations, and this, together with continued strength in fed-cattle prices, apparently has given encouragement to the purchase of feeder cattle that is not entirely warranted. Although prices for finished cattle have advanced consistently since ceilings were

first placed on carcass and wholesale cuts of beef last spring, it is not likely that live cattle prices can advance much further under existing wholesale beef price ceilings. At the same time that the War Food Administration announced it was studying possible ceilings on live hogs, it also commented, "Administrative problems do not permit quick action on live cattle prices, but immediate consideration is being given to alternate methods of establishing effective readjustment of such prices if the existing measures do not prove effective."

Range Cattle Through Winter in Good Condition

Cattle in the Western Range States have come through the winter in mostly good condition. Winter losses were light except in limited local areas. The condition of cattle in the Range States as a whole on April 1 was slightly under a year earlier but was about average for that date. Range feed conditions on April 1 were a little below average, but varied from very good in Nevada and California to only fair in the Northwest. Prospects for new feed were mostly good throughout the northern and central Great Plains area but additional moisture was needed in much of the Southwest. Prospects for feed are very good in the Osage and Flint Hills pastures of Oklahoma and Kansas, and practically all of this grazing area is reported to have been leased by April 1 at record high prices.

Specific Wholesale Ceilings for Veal Established by OFA

Specific dollars-and-cents ceilings at the packer and wholesale levels became effective April 3 under Amendment 4 to Revised MPR 169. Ceiling prices for carcass and wholesale cuts of veal have been in effect since last May under regulations based upon individual sellers' highest prices. The new regulation provides specific maximum prices by grades and regions similar to those now in effect for beef. Although the new maximum prices cannot be directly compared with individual packers' ceilings previously in effect, it appears that the new order lowers somewhat the price which slaughterers can afford to pay for live calves.

OUTLOOK - SHEEP AND LAMBS

BACKGROUND.-- Sheep numbers in the United States increased about 5-1/2 million head from 1937 to 1942. Some liquidation of breeding stock occurred during the past year, and the January 1, 1943 number of 55.1 million head was 1.6 million head smaller than the 1942 peak. Average prices received by farmers for lambs advanced steadily during 1942 and early 1943. Prices now are near the peak prices of 1918 and 1919.

Weather and Feed Conditions Mostly Unfavorable for Early Lambs

Except in California, weather and feed conditions this spring have been unfavorable for a good development of the early lamb crop. Conditions

have been particularly unfavorable in the far Northwest -- Idaho, Washington, and Oregon -- but soil moisture favors a good growth of new feed. Early lambs got off to a poor start in this area, and their development during April and May probably will not make up for this delay. Death losses in some parts of this area are reported to have been rather heavy. In Arizona and Texas the season has been backward and early lambs have developed slowly. In California, however, feed has been abundant in all early lambing areas; early lambs are in better than average condition and most of them will reach slaughter finish without supplementary feeding.

In the Southeastern States a late spring has delayed growth of new feed. Early lambs have developed fairly well, however, and on April 1 were in about average condition. The proportion of the early crop dropped by April 1 was larger than usual. In Missouri early lambs have made average development, despite relatively large death losses.

Eastern Markets May Receive Few Early Spring Lambs

Shipments of early lambs in March out of California and Arizona were very small and few new-crop lambs had reached Midwestern markets from any source by April 1. The expectation that the strong demand and the high level of prices for spring lambs will continue throughout the season is encouraging growers to hold their lambs for heavier than usual weights. This tendency, combined with the rather slow development in some areas, will result in a rather late movement of the crop. Present indications are that most of the California and Arizona lambs will be slaughtered in California and that shipments of slaughter lambs to Midwestern and Eastern markets from these States will be quite limited.

To help relieve the short meat situation on the West Coast and at the same time to relieve war-burdened transportation facilities, local slaughterers in the far Western States are permitted to substitute lamb and mutton for their unfilled civilian beef, veal, and pork quotas. This action was taken by the Office of Price Administration in Amendment 17 to Meat Restriction Order 1, effective March 24. In addition, quota slaughterers in California, Arizona, and Nevada have been permitted to increase their civilian deliveries of lamb and mutton in the second quarter of 1943 to 100 percent of their quota bases.

The number of fed lambs still in feed lots on April 10 is estimated to have been about as large as a year earlier. The fed-lamb marketing season is about over, however, and with the movement of early lambs from the West restricted and the development of the crop delayed somewhat in the Native States, slaughter supplies of new-crop lambs at Midwestern and Eastern markets may be relatively small until early summer.

April 1 Condition of Range Sheep Below Average

The condition of sheep and lambs in the Western States on April 1 was below that of a year earlier and below average for that date. Sheep have wintered in poor to very good condition. Late lambing prospects vary considerably, depending upon the weather and a rather serious shortage of experienced labor.

THE WOOL SITUATION

Demand Good, Prices Higher in April

Demand for domestic and foreign wools has been strong in recent weeks in anticipation of Army orders. Supplies of spot wool at Boston are small and interest is centered chiefly in new-clip wools which are now being shorn. Contracting was active in most Western States in March and the early part of April. Prices to growers advanced slightly. Texas 12-months wools were purchased at 47 to 49 cents a pound (grease basis) in the second week of April. This is about 2 cents a pound higher than prices offered a month earlier. Many of the contracted wools were resold to mills in original bags at ceiling prices. Foreign wools afloat to the United States and those for which shipping space had been obtained were readily purchased by mills.

After remaining unchanged since January, prices of most graded territory and Texas wools at Boston advanced in the early part of April. Fine staple combing territory wools sold at \$1.18 to \$1.21 a pound (scoured basis) the second week of April after being quoted unchanged at \$1.18 to \$1.20 since July 1942. Quoted prices of clothing length fine territory wools were increased 3 cents a pound (scoured basis) in the second week of April and prices on fine Texas wools were up a cent a pound. Prices of medium fleece wools also strengthened in April. Quoted prices for 3/8 blood combing bright fleece wools averaged 54.5 cents a pound (grease basis) the second week of April compared with 54 cents in March and 52.5 cents in April 1942.

The average price received by farmers for wool on March 15 was 40.3 cents a pound, 2 cents higher than a year earlier and a new high for recent years.

Mill Consumption of Apparel Wool Sets
New Record in February

Mill consumption of apparel wool averaged 12.3 million pounds per week (scoured basis) during February, compared with 11.2 million pounds in January and 10.2 million pounds in February last year. It was the largest weekly average consumption for any month of record. A little over half of the total was domestic wool. February consumption of carpet wool averaged 714,000 pounds per week (scoured basis), about one-third more than in January but only about half the February 1942 weekly rate of consumption.

New Import Restrictions Reported

Exports of wool from Argentina to the United States were limited to grades 44s to 58s inclusive during March, and from April 4 to 30 only wools grading 46s to 58s for use in military orders can be accepted by United States buyers for shipment. The restrictions were applied under General Imports Order M-63 which requires authorization by the War Production Board for all wools imported into the United States. These restrictions were imposed because of the acute need for shipping space from Argentina to the

United States. Fine wools can be obtained in large quantity from Australia where the shipping situation is less acute. Substantial quantities of grades 46s to 58s are required in the manufacture of military fabrics, and such wools are not available in sufficient supply from sources other than Argentina.

Army Will Order Cloth Requiring Large
Quantity of Domestic Wool

The Quartermasters Corps requested bids on approximately 56 million yards of wool cloth and 10.3 million blankets during the past month. These orders will require between 225 and 250 million pounds of wool (greasy shorn basis). Bids will be accepted on fabrics made of all domestic wool or of 65 percent domestic and 35 percent foreign. The cloth to be ordered includes 11.8 million yards of 18-ounce serge, 20.5 million yards of 10-1/2-ounce shirting flannel, 10.8 million yards of 32-ounce melton and 10.2 million yards of 12-ounce flannel. Delivery schedules on most items will run to the end of 1943.

The quantities announced are the largest since March 1942. They are considerably larger than the September-October purchases last year. Orders for various fabrics and apparel items are awarded throughout the year, but purchase of the principal items of uniform cloth generally is made in large quantity only once or twice a year.

Government Will Purchase 1943
Wool Clip

Plans have been completed for the Government take-over of the portion of the 1943 domestic wool clip unsold after April 25. Wool will be handled through regular trade channels, but dealers and cooperatives will buy, handle, and sell the wool for the account of Commodity Credit Corporation, which will be in charge of the program. Prices to growers will be the current ceiling prices less freight charges and an allowance to cover marketing costs. Commodity Credit Corporation charges for appraisal, storage, and interest will be 1-1/8 cents per grease pound. Handlers' (dealers and cooperatives) charges will be in line with regular consignment charges. Wool will be sold to mills at ceiling prices.

Growers' representatives have asked that the Government purchase the domestic clip for the duration of the war and a suitable period thereafter. This is asked as a protection against price declines which may occur if the stock pile wools now stored in this country by the United States and British Governments are placed on the market. On February 15 the Reconstruction Finance Corporation reported that such stocks totaled close to 800 million pounds. Included in this strategic reserve were 309 million pounds of Australian wool purchased by the Defense Supplies Corporation, 132 million pounds of South African wool stored but not yet purchased, and 345 million pounds of British-owned Australian and New Zealand wools, stored in this country.

Although the present program is on an annual basis and applies only to the 1943 clip, officials indicated their belief that a price-supporting

program should be continued until a suitable period after the war. Definite commitments beyond the 1943 clip could not be made at the present time, however, because the statutory life of the Commodity Credit Corporation has not as yet been extended by Congress beyond 1943.

According to Food Distribution Order 50, effective April 25, all domestic wool must be sold to the Commodity Credit Corporation, with the following exceptions: (1) Country handlers may purchase for their own account lots of 1,000 pounds or less, provided that such wool is later sold to the Commodity Credit Corporation. Handlers may receive wool in any quantities on consignment for sale to the Commodity Credit Corporation. (2) During the period April 25-December 31, 1943, manufacturers may purchase directly from producers located within 50 miles of the manufacturer's mill quantities of wool not in excess of the amount purchased directly in 1942. The order does not apply to wool sold by producers prior to April 25.

All purchases of wool by the Commodity Credit Corporation will be made on the basis of official appraisals by a committee composed of three members appointed by and working under the Director of Food Distribution. Appraisals will be made on the basis of grade, shrinkage, length, and other factors affecting value. Food Distribution Administration offices at Boston, Philadelphia, Chicago, San Angelo (Texas), Denver, and Portland (Oregon) will serve as regional headquarters for the appraisal work. The chief appraiser will have headquarters in Boston.

Shearling Requirements to Continue Large Through 1944

In 1942 domestic shearling production in the United States totaled 5,209,000 pelts, compared with 2,600,000 pelts in 1941. Imports of shearling pelts last year exceeded domestic production, but about 50 percent of the foreign skins were rejects.

Most growers expressed satisfaction with last year's program and felt that they made money because of it. There were some reports of price discrimination from growers, and some of the smaller killers reported that they were unable to sell shearling pelts at ceiling prices. Inquiries concerning next year's program, however, indicate a continuing interest.

Shearling requirements for military purposes in 1944 have just been estimated by the War Production Board after a conference with Air Force officers. Contracts with tanners for next year's production, however, probably will not be signed until after July 1.

There is an estimated requirement for 1944 of approximately 5 million feet a month for flying clothing alone. This estimate tallies very closely with last year's requirements. Interpreted in terms of shearling pelts, these figures call for a production of approximately 7-1/2 million usable skins for military purposes next year. In addition, there is a possibility that more shearling pelts will be released for civilian use. Last year civilian needs were filled entirely from military rejects. Reports from the range country last winter revealed a shortage of sheep-lined clothing in some areas.

From a production standpoint the tanners and War Production Board are asking growers to emphasize quality in their shearling production program next year. There will be no deviation from the ceiling prices but tanners probably will not be as liberal in their grading in 1944 as they were in 1942. Tanners' contracts and prices are based on merchantable pelts that will yield 90 to 100 square feet per dozen skins. Where the outturn per dozen pelts falls substantially below 90 square feet it makes the pelts figure too high if they have all been taken in as No. 1's or No. 2's.

The War Production Board is not looking entirely to the domestic market to supply all these pelts but they would like to use as many domestic skins as possible. They estimate that fully 55 percent of the 1944 production should be No. 1 skins which would leave 45 percent as No. 2's.

CANADIAN WOOL-PURCHASE PROGRAM, 1942

Before the war Canada imported about four-fifths of the raw wool (including tops and noils) used by the wool manufacturing industry. Domestic production of about 18 million pounds (grease basis) was insufficient for domestic needs. However, a considerable quantity of the fine wool produced in western Canada was exported. This was due in part to the Canadian preference for medium wools and also to inadequate scouring and combing facilities. Imports of raw wool (mostly scoured) and wool tops came chiefly from New Zealand, the United Kingdom, and Australia.

The war placed heavy demands on the Canadian wool manufacturing industry to clothe the armed forces. In September 1939 the post of Wool Administrator was established within the Wartime Prices and Trade Board. The Administrator was charged with the responsibility of obtaining adequate supplies of wool at reasonable prices. The uncertainty of imported supplies from the Southern Hemisphere soon focused attention on domestic supplies. Exports of wool and wool products were prohibited without specific authorization, and the Government instituted a program to encourage an expansion in Canadian wool production.

To meet the contention of grower organizations that some guarantee of a ready market and stable prices was necessary to stimulate production, the Canadian Government announced in March 1942 that it would purchase the entire production of shorn and pulled wool for the duration of the war and 1 year thereafter. Authority to purchase, store, grade, and distribute the domestic production was placed with the Canadian Wool Board, which was created on March 10, 1942 and which functions under the direction of the Wartime Prices and Trade Board. The Wool Board also handles the importation of wool for nonmilitary requirements.

The Wool Board is composed of the Wool Administrator of the Wartime Prices and Trade Board, who serves as President of the Board, and seven

directors. Two of the directors are from the management of the Canadian Cooperative Wool Growers, Ltd., a national producer-controlled organization. A third director is head of a Montreal Wool Company and the remaining members are from the staffs of the Wartime Prices and Trade Board and the Dominion Department of Agriculture.

To vest the Board with authority to obtain the entire domestic production, Order No. 17 respecting wool was issued by the Wartime Prices and Trade Board, effective March 25, 1942. The order provided that:

1. During the present war and one wool clip thereafter no ungraded fleece wool or ungraded pulled wool shall be sold except to a registered warehouse or a person licensed by and acting on behalf of the Canadian Wool Board, Ltd. and no person other than such warehouse or licensee shall buy or procure any ungraded fleece or pulled wool.
2. No primary producer shall accumulate or withhold from sale any ungraded wools beyond a quantity reasonably required for home use or for the production of home-spun fabrics or rugs.
3. Prices to be paid by the warehouse or licensee after grading shall be those fixed by the Wool Board and the price paid to the producer shall be in accordance with the grade, character, condition, and point of origin of the wool.
4. All wools purchased by the licensed warehouse or licensee shall be held subject to purchase or allocation by the Canadian Wool Board which may prescribe the terms and conditions of sale or other disposal.

Purchase and distribution of Canadian wool under the Wool Board is carried out through the existing trade channels. All registered wool warehouses ^{1/} which operated in 1941 were eligible for license by the Wool Board. The warehouses operate as primary and secondary receivers. Wool growers' associations, local dealers, agents, wool collectors, and field men act as primary receivers under Government license. Commissions paid to all warehouses and operators are uniform and are established by the Wool Board.

Prices paid to producers were established by Regulation No. 1 of the Canadian Wool Board. The prices are quoted on a grease basis, by grades, for wools of average shrinkage and are based f.o.b. eastern Canadian warehouses. The wool grower is charged with all costs of transportation to the eastern warehouse. Separate price schedules are provided for eastern farm wools, western farm wools and western range wools. Settlements are based upon the net receiving weights at the registered warehouse. The

^{1/} Registration of warehouses was carried out by the Director of Marketing Service, Department of Agriculture, in connection with compulsory grading of all wool sold in Canada, which became effective January 1, 1941.

clip is graded at the warehouse before settlement is made with the grower, but an advance payment may be made on delivery by arrangement with the warehouse or licensed operator. The advance cannot exceed 25 cents per pound on eastern wools and 20 cents per pound on western wools. The schedule of official maximum prices by grades, grease basis, and approximate scoured-equivalent prices are shown in table 3.

Prices received by producers in 1942 under Government purchase averaged 25.5 cents per pound (grease basis) according to the Canadian Department of Agriculture. The average farm price of wool in 1941 was 22.5 cents per pound, and the 1935-39 average was 12 cents per pound.

To maintain the Maximum Price Regulations which set as a price ceiling for all commodities the highest price charged during the period September 15-October 11, 1941, wool for civilian use is sold to mills through the Wool Board at not more than ceiling prices and any loss entailed is absorbed by the Board. As the Wool Board also handles foreign wools for civilian requirements, it is expected that losses on below-cost sales of domestic wool may be offset at least in part by profits on wools imported through the British Wool Control and sold to Canadian mills by the Wool Board.

Little information is available thus far on the first year's operations, but trade reports indicate that growers are generally satisfied with the methods of operation but would like higher prices. The Canadian sheep industry outside of the western range region is mainly a subsidiary of mixed farming. Sheep are carried on about 18 percent of occupied farms in Canada compared with only 9 percent of farms reporting sheep in the United States. The size of flocks is small, averaging about 26 sheep per farm at the time of the 1931 census. In western Canada, however, where about half of the wool clip is produced, sheep ranching is one of the principal agricultural industries, with some ranches carrying 5,000 and more sheep. The principal sheep-ranching areas are in the southern parts of Alberta, Saskatchewan, and British Columbia.

The cooperative movement is strong among Canadian producers. Western sheep ranchers usually are members of the sheep association that exists in the region where they operate and most of the sheep associations are a part of or are affiliated with the Canadian Cooperative Wool Growers Association, a national producer-controlled organization, with headquarters at Toronto. A survey made in 1929-31 indicated that about 95 percent of the western range wools included in the survey were marketed through this organization. In 1939-40 about 30 percent of all Canadian shorn wool was graded and marketed through this organization.

Table 3.- Maximum prices per pound for Canadian wools, 1942 season 1/

Grade	Eastern farm wools						Nova Scotia, New Brunswick, and Prince Edward Island					
	Ontario and Quebec											
	Price			Price			Price			Price		
	Shrinkage : (approximate) :	Grease : basis :	Scoured : basis : :(calculated) :	Shrinkage : (approximate) :	Grease : basis :	Scoured : basis : :(calculated) :	Shrinkage : (approximate) :	Grease : basis :	Scoured : basis : :(calculated) :	Shrinkage : (approximate) :	Grease : basis :	Scoured : basis : :(calculated) :
Percent	Cents	Cents	Percent	Cents	Cents	Percent	Cents	Cents	Percent	Cents	Cents	
Fine and 1/2 blood staple	58-60	28	67-70	58-60	28	67-70	58-60	28	67-70	58-60	28	67-70
Southdown	45	31	56	45	31	56	45	31	56	45	31	56
Military style 46s-56s (Bulk 48s-50s)	40-42	30	50-52	38-40	31	50-52	38-40	31	50-52	38-40	31	50-52
Felting style 36s-44s (Bulk 40-44s)	38	33	53	38	33	53	38	33	53	38	33	53
Ordinary style 36s-44s	40	30	50	38	31	50	38	31	50	38	31	50
Short staple												
Western farm wools												
	Bright 2/			Semi-bright 3/			Dark 4/					
	Price			Price			Price			Price		
	Shrinkage : age :	Grease : basis :	Scoured : basis : :(calculated) :	Shrinkage : age :	Grease : basis :	Scoured : basis : :(calculated) :	Shrinkage : age :	Grease : basis :	Scoured : basis : :(calculated) :	Shrinkage : age :	Grease : basis :	Scoured : basis : :(calculated) :
	Percent	Cents	Cents	Percent	Cents	Cents	Percent	Cents	Cents	Percent	Cents	Cents
Fine staple 64/70s	60	27	68	63-64	24	65-67	63-64	24	65-67	63-64	24	65-67
Fine clothing	62	25	66	65	22	63	65	22	63	65	22	63
1/2 blood staple 60/64s	56	28	64	59	25	61	59	25	61	59	25	61
3/8 blood staple (Bulk 56s)	45	29	53	50	26	52	52	24	50	52	24	50
3/8 blood clothing	(46)	28	52	(51)	25	51	(53)	23	49	(53)	23	49
1/4 blood staple (Bulk 50s)	42	29	50	46	26	48	48-49	25	48-49	48-49	25	48-49
Low 1/4 blood staple 46/44s	40	28	47	44	26	46	45	25	45	45	25	45
Coarse	42	25	43	42	25	43	42	25	43	42	25	43

Continued -

Table 3.- Maximum prices per pound for Canadian wools, 1942 season 1/ - Continued

Grade	Western range wools					
	Choice 5/			Average 6/		
	Shrinkage (approximate)	Grease basis	Price :(calculated)	Shrinkage (approximate)	Grease basis	Price :(calculated)
	Percent	Cents		Percent	Cents	Cents
Fine staple 64/70s	60	27	68	63-64	24	65-67
Fine clothing	62	25	66	65	22	63
1/2 blood staple 60/64s	56	28	64	59	25	61
1/2 blood clothing	58	26	62	60	23	58
3/8 blood staple 58/56s	51	28	57	54	26	57
3/8 blood clothing	52	27	56	55	25	56
1/4 blood staple 50/54s	45	28	51	47-48	26	49-50
Low 1/4 blood staple 46s	43	27	47	45	25	45
Coarse 44/40s	42	25	43	42	25	43

1/ Canadian Wool Board, Regulation No. 1, April 1942. All prices are quoted f.o.b. Eastern Canadian warehouses. Provision is made under each classification for payment on exceptional clips with low shrinkage and for defective wools and miscellaneous grades.

2/ Bright - Fleeces with good color, very light shrinking and uniformly grown. Comparatively free of earth and chaff.

3/ Semi-bright - Fleeces with average to good color, character, and condition. Rather dingy in appearance and carrying slightly more organic matter.

4/ Dark - Off character fleeces, brashy and mushy, and may carry considerably more organic or earthy matter.

5/ Choice - Fleeces bright in color, good condition, light shrinkage, uniform, and comparatively free of earthy matter.

6/ Average - Fleeces that are less uniform, more storm washed, heavier in shrinkage, not as bright or containing more earthy matter than choice fleeces.

SUMMARY OF PRICE AND SUPPLY CONTROL REGULATIONS THROUGH APRIL 15

A summary of price control regulations affecting meats and wool was given in the November 1942 issue of this report. A similar tabulation of supply control measures was given in the March 1943 issue. The following will bring these two listings of Government regulations to date through April 15.

Table 4.- Price and Supply Control Regulations

Regulation	Principal provisions
<u>Meat Price Controls: Wholesale</u>	
<u>Dressed Hogs and Wholesale</u>	
<u>Pork Cuts:</u>	
Am. 1 to Rev. MPR No. 148 Issued 1/13/43 Effective 1/19/43	Established formula for calculating ceiling prices on dressed hog carcasses where denominator method of pricing is used. Modified specific ceilings on some pork cuts and added some not previously listed.
Am. 2 to Rev. MPR No. 148 Issued 3/6/43 Effective 3/6/43	Prohibited sale of dressed hog carcasses under denominator pricing formula except to persons who obtained at least half of their supplies in 1941 by buying dressed hogs or by cutting up hog carcasses. Provided specific prices on dressed hog carcasses for other buyers. Revised maximum prices of products for purchase by war procurement agencies. Changed premium on fabricated cuts sold to restaurants from 15 percent to 1 cent per pound.
Am. 3 to Rev. MPR No. 148 Issued 4/10/43 Effective 4/10/43	Permitted increase in maximum prices to include cost of transportation from an area of supply to one where a critical shortage of meat exists.
<u>Beef and Veal Carcasses and Wholesale Cuts:</u>	
Revised MPR No. 169 Issued 12/10/42 Effective 12/16/42	Provided specific dollars-and-cents ceilings for prices of dressed carcass beef and wholesale beef cuts, by grades and regions.
Am. 1 to Rev. MPR No. 169 Issued 12/19/42 Effective 12/19/42	Included Philadelphia in the list of counties in which slaughterers must file reports by Dec. 28, 1942.

Continued -

Table 4.- Price and Supply Control Regulations - Continued

Regulation	Principal provisions
<u>Meat Price Controls: Wholesale - Continued</u>	
Am. 2 to Rev. MPR No. 169 Issued 1/2/43 Effective 1/8/43	Date for hotel supply houses to file reports extended to Jan. 11, 1943. Permits sellers of veal and sausage to file application for adjustment in ceilings since specific ceilings for these products not included in the revised order.
Am. 3 to Rev. MPR No. 169 Issued 1/11/43 Effective 1/16/43	Made available to inspectors of OPA sales records of sellers of beef and veal carcasses and wholesale cuts and processed products. Exempted from maximum price limitation on custom slaughtering a small group which slaughtered under contract for firms which did no slaughtering.
Am. 4 to Rev. MPR No. 169 Issued 3/30/43 Effective 4/3/43	Established specific dollars-and-cents ceilings for veal by grades and zones similar to those already in effect for beef.
Am. 5 to Rev. MPR No. 169 Issued 4/10/43 Effective 4/10/43	Provided for temporary regional adjustment in ceiling prices for beef and veal to cover cost of shipment from surplus-producing areas into regions where critical shortages exist.
Am. 6 to Rev. MPR No. 169 Issued 4/12/43 Effective 4/14/43	Made some adjustments on maximum prices of beef carcasses and wholesale cuts. Introduced dollars-and-cents ceiling prices on miscellaneous beef products such as corned beef brisket, corned beef plate and dried beef items left under the "freeze" when specific prices were established in December.
<u>Beef and Beef Products</u> <u>Purchased by Federal</u> <u>Agencies:</u>	
Am. 2 to MPR No. 156 Issued 12/10/42 Effective 12/10/42	Revoked regulations applying to frozen boneless beef, covered after Dec. 10 in Revised MPR No. 169.
Am. 3 to MPR No. 156 Issued 12/31/42 Effective 1/1/43	Extended period of exemption from price control until April 1 for certain Army field rations.
Am. 4 to MPR No. 156 Issued 3/30/43 Effective 4/1/43	Deferred indefinitely specified Army canned rations from price control, but continued specific price ceilings on Vienna sausage and corned beef as announced in original order.

Continued -

Table 4.- Price and Supply Control Regulations - Continued

Regulation	Principal provisions
<u>Meat Price Controls: Wholesale - Continued</u>	
<u>Certain Sausage Products for War Procurement Agencies:</u>	
MPR No. 286 Issued 12/15/42 Effective 12/19/42, to expire 2/16/43	Established specific dollars-and-cents ceiling prices on frankfurters and bologna sold to war procurement agencies.
Am. 1 to MPR No. 286 Issued 2/16/43 Effective 2/16/43	Extended indefinitely the life of the order covering ceiling prices on sausage products. Made adjustments in some ceilings to take care of cost of freezing, packing for export and differentials between zones.
Am. 2 to MPR No. 286 Issued 4/7/43 Effective 4/13/43	Increased ceiling prices for frankfurters and bologna prepared for war procurement agencies.
<u>Lamb and Mutton Carcasses and Cuts at Wholesale and Retail:</u>	
Revised MPR 239 Issued 12/18/42 Effective 12/23/42	Provided specific dollars-and-cents ceilings on dressed sheep and lamb carcasses and wholesale cuts, by grades and by regions.
Am. 1 to Rev. MPR No. 239 Issued 3/22/43 Effective 3/27/43	Eliminated requirement that wholesale sellers state transportation or delivery charge on each invoice if local laws prohibit separate statements of hauling charges. Ceiling prices extended to additional hotel supply cut and premium prices for pickled mutton to cover cuts as well as carcasses.
Am. 2 to Rev. MPR No. 239 Issued 4/10/43 Effective 4/10/43	Permitted increase in maximum prices to include cost of transportation from an area of supply to one where a critical shortage of meat exists.
Am. 3 to Rev. MPR 239 Issued 4/10/43 Effective 4/14/43	Required Government grading of all lamb and mutton carcasses sold by packers and wholesalers. Allowed increased maximum prices to cover cost of initial icing of carcasses before they are taken over by the railroad, and to cover cost of sales by peddler truck.
<u>Horsemeat:</u>	
MPR 367 Issued 4/14/43 Effective 4/20/43	Established uniform dollars-and-cents ceiling prices, wholesale and retail, for horsemeat sold for human or animal food.

Continued -

Table 4.- Price and Supply Control Regulations - Continued

Regulation	Principal provisions
<u>Meat Price Controls: Wholesale - Continued</u>	
<u>Fats and Oils 1/:</u>	
Am. 20 to RPS No. 53 Issued 11/27/42 Effective 12/3/42	Raised ceiling prices for lard flakes sold by Chicago processors to points outside the Chicago basing-point zones. Raised ceiling prices for war lard made from such lard flakes.
Am. 26 to RPS No. 53 Issued 4/2/43 Effective 4/8/43	Provided that total price paid by buyers for fats and oils (including commissions) must not exceed ceiling prices specified in regulation.
Am. 28 to RPS No. 53 Issued 4/3/43 Effective 4/9/43	Established specific dollars-and-cents ceilings for lard oil. Revised ceiling on lard sold to Federal Surplus Commodity Corporation.
<u>Meat Price Controls: Retail</u>	
<u>Retail Prices for Pork Cuts:</u>	
MPR 336 Issued 3/5/43 Effective 4/1/43	Established specific cents-per-pound prices for all major pork cuts, by classes of retailer and by regions.
Am. 1 to MPR 336 Issued 4/1/43 Effective 4/1/43	Eliminated requirement that ceiling prices be shown on each pork cut displayed in retailers' showcases.
<u>Retail Prices for Beef, Veal, Lamb and Mutton Cuts:</u>	
MPR 355 Issued 4/5/43 Effective 4/15/43	Established specific cents per pound prices for all grades of meat, by class of retailer and by zones.
Am. 1 to MPR 355 Issued 4/14/43 Effective 4/14/43	Postponed the effective date of this regulation to May 17 to permit reexamination of prices in light of President's "hold the line" order.
<u>Price Controls: Wool</u>	
<u>Domestic Shorn Wool:</u>	
Am. 1 to MPR No. 106 Issued 3/23/42 Effective 3/24/42	Provided for adding limited brokers commission to applicable maximum prices when agent is employed.
<u>1/ Lard only; for regulations and amendments applicable to other fats and oils see The Fats and Oils Situation.</u>	

Continued -

Table 4.- Price and Supply Control Regulations - Continued

Regulation	Principal provisions
<u>Price Controls: Wool - Continued</u>	
Am. 2 to MPR No. 106 Issued 3/27/42 Effective 3/27/42	Amended price adjustment for wools tied with sisal or binder twine.
Am. 3 to MPR No. 106 Issued 6/5/42 Effective 6/10/42	Amended price adjustment for seedy or burry wools which require carbonizing.
<u>Wool and Wool Tops and Yarns:</u>	
Am. 10 to RPS No. 58 Issued 11/2/42 Effective 11/4/42	Provided that petitions for adjustment must be filed by November 15, 1942.
Am. 11 to RPS No. 58 Issued 12/7/42 Effective 12/12/42	Provided for carrying out of wool top futures contracts under maximum provisions ruling on date of sale.
Am. 12 to RPS No. 58 Issued 2/9/43 Effective 2/9/43	Establishes dollars-and-cents maximum prices for blended woolen and worsted yarns spun on cotton system.
<u>Raw and Processed Wool</u>	
<u>Waste Materials:</u>	
Am. 4 to MPR No. 123 Issued 12/18/42 Effective 12/17/42	Provided for carrying out of prior contracts at contract price where delivery is made within 60 days of November 17, 1942.
Am. 5 to MPR No. 123 Issued 2/24/43 Effective 3/1/43	Provided dollars-and-cents prices for new classifications and revised certain sections and price tables. Revised the "maximum charge" table for special processing services.
<u>Woolen and Worsted Civilian</u>	
<u>Apparel Fabrics:</u>	
Am. 7 to MPR No. 163 Issued 11/2/42 Effective 11/4/42	Provided that petitions for price adjustment under this regulation must be filed by November 15, 1942.
Am. 8 to MPR No. 163 Issued 1/5/43 Effective 1/11/43	Provided price formula for fabrics sold by apparel manufacturers and provided optional method for pricing cut lengths sold to retail stores and tailors.
Am. 9 to MPR No. 163 Issued 1/14/43 Effective 1/20/43	Provided pricing formulas for fabrics sold by jobbers to religious institutions.

Continued -

Table 4.- Price and Supply Control Regulations - Continued

Regulation

Principal provisions

Price Controls: Wool - Continued

- Am. 10 to MPR No. 163
Issued 2/5/43
Effective 2/11/43
Provided method of determining maximum prices for sales of woolen and worsted fabrics by "converters."
- Am. 11 to MPR No. 163
Issued 4/9/43
Effective 4/15/43
Established maximum prices for manipulated all-wool meltons.

Supply Control RegulationsRestriction Order 1 - Meat:

- Am. No. 15
Issued 3/13/43
Effective 3/19/43
Included San Diego, California in the list of OPA districts constituting a meat allocation area.
- Am. No. 16
Issued 3/18/43
Effective 3/20/43
Extended the list of "exempt purchases" of "controlled meat" to include purchases of meat for consumption in aircraft in flight outside this country.
Permitted use for both base and quota periods of the same conversion factor when average weights for each period do not vary more than 30 pounds.
- Am. No. 17
Issued 3/18/43
Effective 3/24/43
Permitted deliveries of lamb and mutton in California, Washington, Oregon, and Nevada to be charged against unfilled civilian beef, pork and veal quotas.
- Am. No. 18
Issued 3/16/43
Effective 3/16/43
Food Rationing Division of OPA may authorize the Regional Administrator to grant "such exceptions" to the meat restriction order as necessary to relieve acute shortages.
- Am. No. 19
Issued 3/30/43
Effective 3/30/43
Required slaughterers to file information pertaining to Quota Period 2, with office of OPA not later than 30 days after close of period.
- Transfer Order and Am. to Rest. Order 1
Issued 3/31/43
Effective 4/1/43
Transferred administration of this order from the OPA to the USDA.
Established delivery quotas for civilian consumption during period April 1 through June 30, 1943 at following percentages of deliveries in corresponding period of 1941:

Beef and veal	65 percent
Pork	75 percent
Lamb and mutton	70 percent

Continued -

Table 4.-- Price and Supply Control Regulations - Continued

Regulation	Principal provisions
<u>Supply Control Regulations - Continued</u>	
<u>Restriction Order 3 - Canned Meat and Canned Fish:</u>	
Am. No. 2	Permitted producers of canned meats to transfer to wholesalers during the current freeze on sales, quantities equal to 50 percent by weight of the inventory at close of business February 7 and 50 percent of stocks produced or acquired since that date.
Issued 3/18/43	
Effective 3/24/43	
Am. No. 3	Changed effective date of Restriction Order 3 to March 29, 1943.
Issued 3/27/43	
Effective 3/28/43	
<u>Restriction Order 5 - Rationed Fats and Oils:</u>	
Issued 3/21/43	Prohibited sale of fats and oils at retail during the week preceding rationing.
Effective 3/22/43	
Am. No. 1	Delegated authority to District OPA offices to grant exceptions to the order freezing sales of fats and oils in cases where undue hardship would be caused.
Issued 3/22/43	
Effective 3/22/43	
<u>Food Distribution Orders - Livestock and Meats:</u>	
Am. 1 to FDO No. 27	Authorized USDA War Boards to grant slaughter permits and temporary quotas to butchers who do not have 1941 slaughter bases but are otherwise qualified to receive permits.
Issued 4/1/43	Also provided for temporary increases in existing quotas to butchers if the 1941 slaughter base is abnormally low on the basis of existing facilities, available livestock and meat needs.
Effective 4/1/43	
Am. 1 to FDO No. 28.1	Postponed for 2 weeks the date on which the set-aside order (FDO 28.1) was to become effective.
Issued 3/29/43	
Effective 3/29/43	
Am. 2 to FDO No. 28.1	Suspended the set-aside order indefinitely.
Issued 4/6/43	
Effective 4/6/43	
FDO No. 48	Instituted inventory controls over federally inspected slaughter limiting the quantity of certain meats they can hold in storage.
Issued 4/6/43	
Effective 4/6/43	
<u>Ration Order No. 16 - Meat Fats and Oils: 1/</u>	
Original order	Provides for "point" rationing of meats, canned fish, cheese and edible fats and oils.
Issued 3/20/43	
Effective 3/29/43	

1/ Amendments to this order are omitted due to space limitations.

Livestock: Marketings and slaughter statistics, by species,
March 1943, with comparisons

Item	Unit	Annual totals			1942		1943	
		1940	1941	1942	Mar.	Feb.	Mar.	
Cattle and calves -								
Number slaughtered under Federal inspection:								
Steers	Thous.	4,866	5,459	6,019	503	446		
Cows and heifers	"	4,481	4,992	5,854	390	375		
All cattle	"	9,756	10,946	12,347	929	854		923
Percentage cows and heifers are of total cattle	Pct.	45.9	45.6	47.4	42.0	43.9		
Calves	Thous.	5,359	5,461	5,760	491	331		410
Average live weight:								
Cattle	Lb.	940	961	954	970	981		
Calves	"	191	196	208	177	176		
Total dressed weight:								
Cattle	Mil.lb.	4,971	5,739	6,347	497	458		
Calves	"	568	599	667	49	32		
Shipments of feeder cattle and calves to seven Corn Belt States 1/	Thous.	2,036	1,896	2,052	84	72		119
Hogs -								
Number slaughtered under Federal inspection	"	50,393	46,520	53,897	4,134	4,335		4,661
Average live weight	Lb.	232	241	245	233	252		
Percentage packing sows are of all purchases at seven markets	Pct.	11	11	13	5	6		5
Total production under Federal inspection:								
Pork	Mil.lb.	6,614	6,345	7,562	544	638		
Lard 2/	"	1,527	1,526	1,724	132	137		
Average yield per hog:								
Pork	Lb.	131.6	136.8	140.6	132.0	147.5		
Lard 2/	"	30.4	32.9	32.1	32.0	31.8		
Storage stocks end of month:								
Pork	Mil.lb.	---	---	---	590	627		3/591
Lard 2/	"	---	---	---	182	122		3/120
Sheep and lambs -								
Number slaughtered under Federal inspection	Thous.	17,351	18,125	21,625	1,669	1,499		1,495
Average live weight	Lb.	86	88	89	96	94		
Total dressed weight	Mil.lb.	702	750	830	73	63		
Shipments of feeder lambs to seven Corn Belt States 1/	Thous.	3,330	3,203	3,527	87	173		174
Total dressed weight of live-stock slaughtered under Federal inspection	Mil.lb.	14,951	15,523	17,821	1,345	1,380		

1/ Total shipments direct and from public stockyards to Ohio, Indiana, Michigan, Wisconsin, Minnesota, Iowa, and Nebraska.

2/ Including rendered pork fat.

3/ Preliminary

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Livestock prices per 100 pounds (except where noted), by species,
March 1943, with comparisons

Item	1942	1931-40	March		1943		
	annual	average	1941	1942	Jan.	Feb.	Mar.
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
<u>Cattle and calves -</u>							
Beef steers sold out of first hands at Chicago:							
Choice and Prime	15.19	10.32	12.80	14.71	16.05	16.44	16.98
Good	13.90	8.88	11.12	13.03	15.05	15.53	15.92
Medium	12.22	7.62	9.69	11.24	13.66	14.11	14.61
Common	10.40	6.58	8.72	9.66	11.79	12.36	12.91
All grades	13.79	8.39	10.81	12.59	14.84	15.14	15.54
Good grade cows at Chicago	10.90	5.86	8.34	9.59	13.04	13.20	13.99
Vealers, Good and Choice at Chicago	14.48	8.11	10.80	14.41	15.38	16.40	16.56
Stocker and feeder steers at Kansas City	11.75	7.07	10.29	11.47	12.67	13.49	14.49
Average price paid by packers:							
All cattle	10.98	6.43	8.81	10.53	12.39	13.00	
Steers	12.61	1/	10.18	11.85	13.80	14.39	
Calves	12.07	7.13	9.80	12.29	13.14	13.84	
<u>Hogs -</u>							
Average market price at Chicago:							
Barrows and gilts	13.69	1/	7.69	13.42	14.85	15.38	15.61
Sows	13.73	1/	6.98	12.93	14.30	15.07	15.38
All purchases	13.70	7.10	7.64	13.37	14.78	15.35	15.59
Average price paid by packers ..	13.57	7.00	7.60	13.23	14.56	15.07	
Average price No. 3 Yellow corn at Chicago 2/	83.3	59.1	65.6	81.7	96.6	97.0	100.8
Hog-corn price ratio at Chicago 3/	16.4	12.6	11.6	16.4	15.3	15.8	15.5
<u>Sheep and lambs -</u>							
Slaughter lambs, Good and Choice grade at Chicago ..	13.89	8.82	11.03	12.03	15.85	15.90	16.16
Feeding lambs, Good and Choice grade at Omaha	12.02	7.52	9.75	10.92	13.59	14.26	14.91
Ewes, Good and Choice grade at Chicago	6.60	4.83	6.41	7.26	8.30	8.58	8.67
Average price paid by packers for sheep and lambs	11.80	8.39	10.40	11.39	13.70	14.41	
Index retail meat prices 4/	108.3	78.1	88.1	103.6	115.8	117.0	
Index income of industrial workers 5/	187.1	68.5	113.0	163.3	228.2		

1/ Not available.

2/ Cents per bushel.

3/ Number of bushels of corn equivalent in value to 100 pounds of live hogs.

4/ Bureau of Labor Statistics, converted to 1924-29 base.

5/ Bureau of Agricultural Economics, 1924-29 = 100. Revised.

Prices per pound of wool and other textile raw materials in
the United States, selected periods, 1940-43

Item	Average			1942		1943	
	1940	1941	1942	Mar.	Jan.	Feb.	Mar.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Boston market -							
Territory, scoured basis -							
64s, 70s, 80s (fine) staple							
combing	96.3	108.8	119.1	119.6	119.0	119.0	119.0
56s (3/8 blood) combing	79.7	91.2	102.6	102.6	103.5	103.5	103.5
46s (low 1/4 blood)	76.1	82.3	90.7	90.0	94.0	94.0	94.0
Bright fleece, greasy -							
64s, 70s, 80s (fine) delaine	38.0	43.1	47.2	47.0	47.0	47.0	47.0
56s, (3/8 blood) combing	41.2	46.8	51.8	52.4	53.0	53.0	54.0
46s (low 1/4 blood)	41.0	46.5	49.8	51.0	51.5	51.5	51.5
Foreign wool - in bond							
at Boston 1/ -							
Sydney - scoured basis -							
64s, 70s, good combing	67.9	72.7	78.1	75.5	76.5	76.5	76.5
Cape - scoured basis -							
12 months, combing	62.9	70.9	75.6	73.0	75.5	75.5	75.5
Montevideo - grease basis -							
Merinos (60-64s)	31.2	40.4	43.0	43.0	39.5	39.5	40.7
1s (56s)	32.4	33.6	42.5	42.2	39.5	39.5	40.7
Prices received by farmers,							
grease basis, 15th of month	28.3	33.5	40.1	38.6	39.5	39.8	40.3
Average prices, scoured basis 2/ -							
10 grades, Boston	84.7	96.6	107.0	107.5	108.1	108.1	108.5
United States farm price	70.2	86.4	96.6	94.6	97.8	98.6	99.9
Spread	14.5	10.2	10.4	12.9	10.3	9.5	8.6
Textile fibers:							
Wool, territory fine staple 3/	96.3	108.8	119.1	119.6	119.0	119.0	119.0
Cotton, 15/16" Middling 4/	10.2	13.9	19.3	20.4	20.4	20.7	22.0
Rayon yarn, 150 denier 5/	53.0	53.6	55.0	55.0	55.0	55.0	55.0
Rayon staple fiber 6/ -							
Viscose 1-1/2 denier	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Acetate 5 denier	43.0	43.0	43.0	43.0	43.0	43.0	43.0

Compiled from reports of the Food Distribution Administration except as otherwise noted.

1/ Before payment of duty. Compiled from the Boston Commercial Bulletin.

2/ For basis of computations see February 1943 issue of The Livestock and Wool Situation.

3/ Scoured basis, Boston market.

4/ Average at 10 markets.

5/ Domestic yarn, first quality, Bureau of Labor Statistics.

6/ F.o.b. producing plants, Bureau of Labor Statistics.

Wool: Mill consumption and machine activity, United States,
selected periods, 1940-43

Item	Aggregate			Weekly average			
	1940	1941	1942	1942	1943		
			1/	Jan.	Feb.	Jan.	Feb.
			2/	2/	2/	3/	2/
	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds	pounds
Mill consumption 4/							
Grease basis 5/							
Apparel wool							
Domestic	486,756	493,934	530,341	11,043	9,744	12,145	12,193
Foreign (duty paid) ..	152,862	473,751	526,135	10,182	9,631	8,962	10,544
Total	639,618	967,685	1,056,526	21,225	19,375	21,107	22,737
Carpet wool -							
Foreign (duty free) ..	138,746	199,453	59,637	2,065	2,159	742	967
Scoured basis -							
Apparel wool	309,163	509,014	560,469	11,120	10,243	11,232	12,280
Carpet wool	98,708	138,917	43,100	1,457	1,445	533	714
			Weekly average in hours				
Machine activity							
Hours per available							
machine -							
Worsted combs	55.1	86.7	88.8	95.2	90.4	80.1	84.4
Bradford	43.5	74.9	75.3	83.3	77.3	66.8	70.6
French	79.4	110.6	113.7	117.7	115.7	105.6	111.0
Worsted spindles	37.7	61.0	58.9	62.5	53.1	58.2	61.5
Woolen spindles	43.2	63.3	74.5	72.3	71.8	74.2	79.8
Worsted and							
woolen looms -							
Broad	39.0	61.4	70.7	74.4	68.9	68.8	71.9
Narrow	13.6	31.7	34.2	36.7	38.2	28.7	30.5
Carpet and rug							
looms 6/ -							
Broad	37.9	50.8	40.9	51.1		25.9	27.0
Narrow	21.9	30.8	22.5	30.3	38.6	11.5	11.7

Compiled from reports of the Bureau of the Census.

1/ 51 weeks ended December 26, not strictly comparable with totals for 1940 and 1941.

2/ 4-week period.

3/ 5-week period.

4/ Apparel wool includes all domestic wools and all duty paid foreign wools. Carpet wool includes only foreign wools entered free of duty for the manufacture of floor covering, press cloth, knit or felt boots or lumbermen's socks.

5/ Total of shorn and pulled wool. Pulled wool, grease basis, is in condition received from pulleries and is mostly washed.

6/ Data for February 1942, January and February 1943 not strictly comparable with that for other periods shown.